

## **50 Vilano Rd- Magic Beach Motel Synopsis of Reports Received (April-June 2025)**

**Includes notes on 5 surveys received and Growth Management Staff Review**

### **1. Building Evaluation and Feasibility Report – Magic Beach Hotel, Vilano Beach, Florida**

**Mike Koppenhafer, AIA**

#### **Elevation**

- Located 8' below current grade of adjacent properties.
- Retaining wall and mold on bottom sections of the exterior of the building
- No raised ramp or step up, building is the same elevation as parking area causing drainage issues
- Finished floor below exterior grade

#### **Poor Construction**

- No curb to restrict vehicles from colliding with structural columns
- Cracking in plaster wall, foundation settling, rough brick work, piping exposed, no expansion joints.
- Chimney is made with CMV and brick with subpar workmanship
- Open gaps between wall, slab paver, no pressure treated wood.
- Exposed foundation, wall cracking on exterior, downspout on foundation

#### **Roofing and Wall Conditions**

- Beams pulling away from structure
- HVAC located in unconditioned attic, not designed efficiently, haphazard services added over time
- No hurricane clips on the rafters
- Poor water heater condition
- Poor condition of window HVAC units, leaking around units due to poor or non-existence sealing
- Original building facade behind EFIS system wrapping with cracking evident
- Settlement cracking in walls
- Roof leaks evident, wiring on surface of roof with no support
- Water leakage in guest rooms, wall leaks due to no flashing installed on two-story eastern addition

#### **Electrical System Conditions**

- Improper wiring in utility room and on roof, wires run in the gutters
- Porte cochere sign not proper height for fire apparatus (13'6")

## ADA and Accessibility

- ADA compliance- 3" step into rooms, no wheel stops at parking area, no handrails, no compliant ramps, adequate bathroom sizes, second floor not accessible

## Conclusions:

- For adaptive reuse or preservation of the building, the structure needs significant upgrades, and the cost estimate is over half of the existing building value.
- Raise first floor to FEMA requirements.
- Replace Porte cochere
- Parking lot needs to be redesigned which would reduce the number of spaces, add ADA spaces.
- Add ADA guest room as required by the code and entire site needs to be ADA compliant, including adding an elevator to the second floor.
- Upgrading structural connections with proper reinforcement in the walls and roofing
- Upgrading rooms required.

## **2. Economic Feasibility Analysis of Retaining the Magic Beach Motel**

### **Vilano Beach, Florida**

**Prepared for Mr. Joseph J. Van Rooy, Esquire, Van Rooy Law, L.P. Prepared by Tony DiNardo, CPA, Senior Associate, Hank Fishkind, Ph.D.**

- The Motel has faced deterioration over time and has severe depreciation and unfeasibility for profitable operation. The structure's poor condition contributes to safety and maintenance concerns that make preservation increasingly difficult.
- Substantial investment is currently needed for essential repairs for roofing, plumbing, electrical systems, HVAC systems and flood mitigation.
- Without these repairs, the property risks falling further into disrepair, impacting occupancy and profitability.
- The absence of formal historic designation limits potential funding sources, making redevelopment more attractive. (**Staff editorial note:** *The property is currently a significant cultural resource and is defined as a historic structure.*)
- Financial reserves alone may not be enough to sustain the property, supporting arguments for demolition and redevelopment as a more feasible solution.

- The report suggests the building has deteriorated beyond feasible rehabilitation, lacks profitability, and incurs ongoing financial losses. Factors such as outdated infrastructure, high maintenance costs, structural deficiencies, and a declining market demand contribute to a negative worth.
- Performed a Jacksonville Beaches Submarket Analysis - 9988 rooms in area with 329 more rooms being added by end of 2025
- There are six neighboring hotels around Magic Beach Motel (MGM) which create an extremely competitive market, alongside the short-term models such as AirBnb and VRBO
- Page 9 quote, "The Motel, categorized within the midscale & economy class, has experienced a year-over-year decline in ADR, from \$91.42 in 2023 to \$89.65 in 2024, a \$1.75 drop (-1.91%). While this decline may seem marginal, it exceeds the broader market ADR decline of -1.4%, indicating that the Motel is underperforming relative to competitors in the Jacksonville Beaches submarket. This downward trend suggests that pricing power at the Motel is weakening due to the property's aging infrastructure, outdated amenities, and challenges in maintaining appeal against newer hotel developments".
- Table 3 on page 14 shows the recent financial performance of MGM. Very useful tool to understand the breakdown of what the owner and operator are working with
- -Page 15 quotes: "The NOI [Net Operating Income] for 2024 was -\$41,597, as shown in Table 3. At the market capitalization rate of 8.75%, the total value of the Motel (land, building, and intangible business value) is -\$475,394. The St. Johns County Property Appraiser estimates the value of the Motel's land at \$1,247,540. Subtracting the value of the land from the total value of the Motel (building, land, and intangible business value) produces an estimated value for the Motel's building of -\$1,772,934".
- Although the structure was designated a Significant Cultural Resource in 2021 by the CRRB, insurance costs have increased substantially during this time.
- Page 17 quotes, "A building with a negative value of \$1.7 million presents significant economic challenges, as it indicates that the cost of maintaining, operating, or redeveloping the property far exceeds any potential revenue or market benefit. This negative valuation suggests the structure has deteriorated beyond feasible rehabilitation, lacks profitability, and incurs ongoing financial losses. Factors such as outdated infrastructure, high maintenance costs, structural deficiencies, and a declining market demand contribute to its negative worth. From an economic usage perspective, such a building fails to serve its intended function effectively as a motel."
- Page 18 quotes: Justification for Demolition: Insurance premiums have become unsustainable, particularly given the Motel's low elevation and flood risk. Financing

challenges prevent the owner from securing funds for necessary upgrades to meet modern standards. Construction costs make rehabilitation economically impractical compared to redevelopment.

- Details are provided for CCCL and FFE on pages 19 and 20

**Justification for Demolition per the report:**

- The owners have completed the HABS documentation phase of the Mitigation Plan. Relocation of buildings is not technically feasible or financially practical.
- Rising insurance, financing, and construction costs have rendered continued operation and preservation economically unviable.
- Industry trends for larger units with modern amenities and the motel's current design don't align
- Older motels require costly renovations
- Compliance with flood resilience and sustainability standards may require extensive reconstruction
- The eastern half of the building lies seaward of the Coastal Construction Control Line and Flood Zones increase its vulnerability. Required upgrades to meet contemporary building standards exceed reasonable investment feasibility.
- Sea level rise and increasing storm surge intensity may lead to flooding and the property's elevation make it increasingly affected by tidal inundation and storms
- The CCCL program restricts construction in areas prone to erosion and storm damage, making structural modifications financially impractical
- Flood Zone Designations and Expanding Risk Areas increase insurance premiums and regulatory requirements make preservation efforts financially unfeasible.
- Flood resilience standards require higher elevations and reinforced foundations
- Slab-on-grade construction is prone to water damage, does not meet current elevation requirements, making preservation costly and impractical
- The HABS and CRMP suggest alternative recognition methods, such as historical markers and archival documentation. The HABS, records of the Motel's architectural and cultural associations and historical signage will be preserved to acknowledge cultural significance while accommodating demolition and redevelopment options while incorporating elements reflecting the site's legacy.
- Flamingo Plasterwork pieces will be incorporated into the façade of the replacement building, a tribute area will be established in the new building featuring historic

photography and memorabilia, the Magic Beach neon sign will be relocated to a landscaped area on the property.

- The Developer will further determine whether and how to incorporate significant elements, features, fixtures, and furnishings, such as the interior room murals by Artist Gerome Barret, or to allow bona fide nonprofits or agencies with subject matter interest or expertise to salvage cultural significant elements, features, fixtures, and furnishings before demolition. A historical marker or interpretive signage will be installed within the Vilano Beach Town Center to acknowledge the Motel's role in the community. The site's redevelopment will incorporate design elements that reflect the Motel's legacy, such as nautical or streamlined modern architectural influences.

**Conclusion (excerpted from page 21):**

- Rising insurance, financing, and construction costs have combined to make the preservation of the Magic Beach Motel financially unviable. Given these economic realities, demolition is the most feasible course of action, allowing for future development that aligns with contemporary market demands and regulatory requirements.
- While culturally significant, the Magic Beach Motel faces insurmountable challenges due to shifting industry trends and evolving building regulations. Given these realities, demolition is the most viable option, allowing for redevelopment that meets modern hospitality standards while acknowledging the site's legacy.
- The Magic Beach Motel faces insurmountable environmental and structural challenges due to rising sea levels, storm surges, and evolving flood resilience standards. Given these realities, demolition is the most viable option, allowing for redevelopment that meets modern coastal construction requirements while acknowledging the site's legacy.
- Although the Magic Beach Motel is culturally significant, economic, environmental, structural, and regulatory constraints make preservation impractical. Demolishing the building will allow for future development that aligns with contemporary market demands and building standards, ensuring the site serves the community sustainably. Transitioning to a modern residential or mixed-use development will better align with market trends while serving the community's long-term needs. Local officials ultimately decide, which involves weighing cultural sentiment against practical considerations for the site's future and economic benefits to the community.

### **3. Analysis and Report for Blue Ocean Motel/Magic Beach Motel 50 Vilano Rd. Vilano Beach, Florida, May 2025**

#### **Don Chrichlow, AIA**

- Property is not maintained at a high level, paint and wood rot is evident
- Property is within Flood Zone X and the finished floor elevation is at 8-ft above sea level and should be 10-ft
- Options include leave structure as is in flood prone area, raise the elevation of the structure to 10-ft, or demo the building and re-build at 10-ft
- If left in current state, insurance may not be able to be obtained placing the motel at a disadvantage financially. Raising the building is financially unfeasible with slab on grade construction. Rebuilding would create a new structure meeting current standards while incorporating the architectural elements of the existing resource.
- Key points include review of NRHP eligibility, flood insurance costs, raising of building costs, and the mitigations for demolitions such as salvage.

### **4. Sabo Structural Engineering Structural Analysis, Professional Engineer, 5-8-25**

- Visual inspection conducted by Christopher Sabourin, P.E.
- Constructed in 1951 instead of 1958
- Various additions made over the years, masonry walls with wood-framed roof; one section has a concrete roof, shallow concrete stem wall foundation, first-level slab is located below grade
- Structural deficiencies noted include wall cracks, exposed foundations, evidence of settlement and substandard craftsmanship and supports the observations and conclusions outlined by Mike Koppenhafer.
- Critical consideration is CCCL permitting and elevation criteria for 100-year storm events as regulated by FDEP, the shallow foundation doesn't currently comply with standards that require pile foundations.
- First floor is 10-ft elevation, below a required 17.2-ft elevation
- Raising for pile installation would be required at substantial cost to the owner. The addition of stairs and elevators would impact parking spaces.
- Renovations exceeding half of the existing building's assessed value would trigger current code compliance, including foundation upgrades and necessary repairs would exceed this threshold.

**Conclusion:**

- The structure requires significant repairs exceeding financial viability and modifications required by current regulations would adversely affect the site layout and usability. Building and Tech review comments

**5. J.R. Evans Engineering, Building and Property Evaluation – Coastal Construction****Regulations and Criteria, Professional Engineer, Certified Floodplain Manager, May 12<sup>th</sup>****2025**

- Elizabeth Fountain, PE, CFM, provided site-specific design criteria per FEMA, FDEP and County regulations
- Property is located partially within FEMA flood zone X-shaded (500-yr) and zone X. The property is also adjacent to the FEMA Zone VE (EL 10), considered a Coastal High Hazard Area.
- Most of the property is east of the CCCL therefore any substantial improvements to the buildings or redevelopment of the property is subject to FDEP's CCCL regulations
- Average elevation of the site is 9-9.5-ft NAVD and Vilano Road is 7.5 – 9.5-ft NAVD and existing finished floor elevations of the building are below current grade of the adjacent areas. Adjacent Vilano Road is open to the Atlantic Ocean (Beach is approximately 250-feet east of the eastern property line).
- Feasibility of making substantial improvements to the existing structure considering FDEP CCCL program, Building Code, FEMA and Floodplain criteria: 2023 Florida Building Code, 8th edition, defines substantial improvement as repair, reconstruction, rehabilitation, alteration, addition or other improvement costing above half of the market value of the structure before the improvement or repair is started. If the structure has sustained substantial damage, any repairs are considered substantial improvement regardless of work performed. Substantial improvement does not include improvements to correct existing health, sanitary or safety code violations identified by the building official and that is the minimum necessary to assure safe living conditions nor alterations of a historic structure provided that the alteration will not preclude the structure's continued designation as a historic structure.
- CCCL: Should improvements to the structure involve changes to the foundation, the structure will be required to comply with CCCL provisions which would require the structure to be on pilings, with the minimum elevation of the habituated structure at 17.24 ft-NAVD.

- Based on a base flood elevation of 10-ft, the County would designate the property within a Special Flood Hazard Area and if any improvements meeting the threshold for Substantial Improvement/Substantial Damage under the NFIP, Building Code and Local Flood control, compliance would require demo of the structure and reconstruction per the CCCL Program.
- Additional Considerations: Adjacent beach and dune system eastward of structure has had ongoing erosion and storm-related impacts, with dune width reduction of 60-feet. Elevation of Vilano Road at or below base flood elevation of 10-ft represents significant potential for storm surge to breach the dune and impact the property.

#### **Conclusion:**

- Substantial repairs or upgrades to the building would trigger the Building Code's Substantial Improvement/Substantial Damage (50% Rule), as outlined in Section 1612 of the Florida Building Code (FBC) and FEMA regulations. This would require the structure to be demolished, and a new structure constructed in full compliance with the current Florida Building Code, Chapter 3109 provisions for buildings located seaward of the Coastal Construction Control Line (CCCL), as well as with Florida Department of Environmental Protection (FDEP) Chapter 62B-33, F.A.C., which governs coastal construction.

#### **St. Johns County Growth Management Departmental Comments Received based on review of the 5 submitted reports:**

##### **Planning Division**

- In regard to the following statements within the Koppenhafer Report regarding the Vilano Beach Town Center Overlay: "Planning disagrees with the assessment of the Vilano Overlay as it applies to Magic Beach. Magic Beach is not required to meet Overlay Standards, so providing those standards and saying it doesn't meet them is disingenuous. The Overlay Standards are for new development, not historic structures. The Vilano Overlay contemplates historic structures, and such structures are identified within the Comp Plan. Comprehensive Plan Objective A.3.2 provides: The Vilano Beach Town Center vision is to create a place that maintains the small beach town community character through the delicate balance of the old with the new." Further, Policy A.3.2.6 provides a clause to promote the preservation of historic structures in the Overlay: "In an effort to promote the preservation of historic "landmark" structures that establish the unique historic character and "sense of place" in the Vilano Beach Town Center, property owners may consider the following options...Additional opportunities



supporting the preservation and restoration of qualified historic structures include Historic Preservation Ad Valorem Tax exemptions for a 10-year period, the Economic Redevelopment Residential Units Exchange Option, and potential building code waivers.”

### **Building Department**

- Concur with the report from J.R. Evans Engineering as it relates to the Florida Building Code Chapter 31, Section 3109 Structures Seaward of a Coastal Construction Control Line and the requirements when the valuation of work meets the definition of Substantial Improvement.

### **Engineering/Technical Review Division**

- The information provided in the reports by the applicant regarding FEMA/FDEP/flood appears to be correct. While the structure itself does not reside in a FEMA designated VE Flood Zone, it does lie seaward of the FDEP’s Coastal Construction Control Line (CCCL). As such, if the repairs/renovations being made to the structure exceed 50% of the current value of the structure, then the entire building will need to be brought up to the current code. Specific to a structure located within the CCCL, it will now need to be supported on a deep structural foundation (often piling) with the structure having a bottom of horizontal structure elevation well above the existing elevation of the surrounding ground and adjacent roadway. This would appear to involve a complete redesign and rebuild of the building’s foundation, and possibly the building itself to meet current regulations.

### **Floodplain Manager**

- Floodplain staff has verified all statements regarding floodplain policy, measurements, and statements to be factual.